



**Environmental
Operations, Inc.**
CLEARING THE WAY

January 9, 2019

Ms. Becky Weber
Regional Director
Air and Waste Management Division
U.S. Environmental Protection Agency, Region 7
11201 Renner Boulevard
Lenexa, KS 66219

RE: Administrative Order on Consent (Docket No. RCRA-07-2009-0015)
Financial Assurance Reduction Request
Former J.F. Queeny - Solutia Site
EPA ID No. MOD 004 954 111

Dear Ms. Weber:

This letter is sent to you for the referenced Administrative Order on Consent (Order) with SWH Investments II and Environmental Operations, Inc. (Respondents), related to the former Solutia Queeny facility in St. Louis, Missouri (Facility). This letter requests a reduction in the financial assurance required by Section X (Financial Assurance) of the Order.

Specifically, the Facility received approval by U.S. Environmental Protection Agency (EPA) for the Final Decision in the document dated April 30, 2018. Pursuant to that, a Corrective Measures Implementation (CMI) Work Plan was submitted to EPA. The Work Plan included the post-closure cost estimate, and was approved by EPA on December 12, 2018.

Paragraph 58 of the Order provides for adjustment of the financial assurance. Whereas the executed trust agreement originally established financial assurance in the amount of \$500,000, and the approved projected post-closure costs are \$150,463, Respondents are requesting a release of the difference of the market value of the account and the approved projected post-closure costs.

If there are questions or concerns, please contact Larry Rosen, who can be reached by phone at (314) 480-4694, or via email at larryr@environmentalops.com. Thank you for your effort in this matter.

Environmental Engineering, Consulting, Contracting, Remediation, & Demolition

1530 South 2nd Street St. Louis, Missouri 63104-4500 314.241.0900

RCRA

www.environmentalops.com



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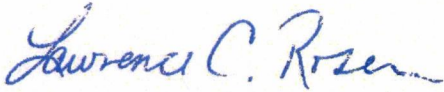
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JAN 30 2019

AWMD/RCAP

Ms. Becky Weber
January 9, 2019

Respectfully submitted,
ENVIRONMENTAL OPERATIONS, INC.



Lawrence C. Rosen, R.G.
Senior Project Manager

Enclosures: Order cover page
 Paragraph 58 of Order
 Post-Closure cost estimate from CMI Work Plan
 EPA approval of CMI Work Plan

Copy: Mr. Don Linenger - Branch Chief, Waste Remediation and Permitting Branch
 Mr. Bruce Morrison - Project Manager
 Mr. Brad Hounsel - Administrator, UMB Bank
 Mr. George Von Stamwitz, Esq.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VII

901 N. 5TH STREET

KANSAS CITY, KANSAS 66101

09 SEP 30 PM 3:00

ENVIRONMENTAL PROTECTION
AGENCY-REGION VII
REGIONAL HEARING CLERK

IN THE MATTER OF:)

J. F. Queeny Facility)

St. Louis, Missouri)

EPA ID#: MOD004954111)

SWH Investments II ("Buyer"), and)

Environmental Operations, Inc.)

("Guarantor of Interim Measures"))

RESPONDENTS)

Proceeding under Section 7003)

Resource Conservation and Recovery Act,)

as amended, 42 U.S.C. § 6973)

EPA Docket No: RCRA-07-2009-0015

12/12/09 - 61 D-02

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Respondents are notified in writing by EPA that all such work required by the approved IMWP is complete with respect to the Facility.

58. Upon written notice to Respondents from EPA, the amount of "cash financial assurance" required pursuant to Paragraph 55.a shall be reduced on a quarterly basis to an amount equal to the money expended on work performed by Respondents pursuant to the approved IMWP (and any amendments thereto) during the previous calendar quarter pursuant to the approved IMWP (January - March, April - June, July - September, October - December). By January 30 of each calendar, Respondents shall provide EPA a written estimate for the cost of performance of any remaining requirements of the IMWP, until EPA's approval of the Interim Measures Completion Report. In the event that EPA determines that the estimated costs of completion of the work required by the approved IMWP is greater than the remaining balance of cash financial assurance pursuant to Paragraph 55.a, within thirty (30) days of receipt of notice from EPA, Respondents shall establish additional cash financial assurance equal to the difference of the remaining balance maintained pursuant to Paragraphs 55.a and the amount necessary to complete the work required by the IMWP. Conversely, in the event EPA determines that the estimated cost of completion of the work required by the approved IMWP is less than the remaining balance of financial assurance pursuant to paragraph 55.a, EPA shall reduce the amount of financial assurance to that amount. At any time, at EPA's sole discretion, EPA may also approve Respondent's request for a reduction in the amount of financial assurance required pursuant to Paragraph 55.a based on the completion of tasks identified in the IMWP (Attachment II) or work for a specific SWMUs.

59. The amount and form of financial assurance for the performance of final RCRA corrective action at the Facility, as required by Paragraph 55.b, shall be maintained until such time as financial assurance equal to the amount required for performance of the final RCRA corrective action selected by EPA for the Facility has been established pursuant to this Order on Consent, or until EPA determines in writing that no further RCRA corrective action at the Facility is necessary. In the event that EPA determines the estimated cost of completion of the RCRA corrective action at the Facility is greater than the amount held in trust pursuant to Paragraph 55.b, Respondents shall contribute additional cash financial assurance equal to the difference between the remaining balance maintained pursuant to Paragraph 55.b and amount determined by EPA as the cost estimate of the final corrective action remedy. At EPA's discretion, EPA may approve that Respondents may establish other forms of financial assurance for this difference, in conformance with the financial assurance mechanisms described within 40 C.F.R. §§ 265.142, 265.143, 265.144, and 265.145.

60. Respondents are liable for the work required by this Consent Order, and the financial assurance under the provisions of this Section; however, the financial assurances for performance of the IMWP and final corrective action as required by Paragraph 55 to 59 may be established and maintained by a third party, if approved in advance by EPA. If approved by EPA, such third party financial assurances shall satisfy Respondents' financial assurance obligations pursuant to Paragraphs 55 to 59. In the event that this occurs, EPA will notify Respondents upon receipt of a document from or on behalf of such third party that financial assurance in an amount and manner sufficient to satisfy the terms of this Section has been established.

TABLE 2
NET PRESENT WORTH EVALUATION
CORRECTIVE MEASURES IMPLEMENTATION
(GROUNDWATER MONITORING)

					Year	Cost	Inflation	Discount to Present Worth	Net Present (Cumulative)
Institutional Controls							2%	7%	
Qty	Implementation Unit Cost	Unit	Item	Cost	0	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
					1	\$ 19,200	\$ 19,584	\$ 18,303	\$ 24,303
					2	\$ 19,200	\$ 19,976	\$ 17,448	\$ 41,750
1	\$5,000	ea	Develop and implement institutional controls	\$ 5,000	3	\$ 19,200	\$ 20,375	\$ 16,632	\$ 58,383
			Contingency (20%)	\$ 1,000	4	\$ 19,200	\$ 20,783	\$ 15,855	\$ 74,238
			Total:	\$ 6,000	5	\$ 19,200	\$ 21,198	\$ 15,114	\$ 89,357
					6	\$ 8,400	\$ 9,460	\$ 6,303	\$ 95,660
					7	\$ 8,400	\$ 9,649	\$ 6,009	\$ 101,669
	Annual Costs	Years 1-5			8	\$ 8,400	\$ 9,842	\$ 5,728	\$ 107,392
1	\$15,000		Groundwater sampling / Consulting / Reporting (Annually)	\$ 15,000	9	\$ 8,400	\$ 10,039	\$ 5,460	\$ 112,853
1	\$1,000		Maintain institutional controls	\$ 1,000	10	\$ 8,400	\$ 10,240	\$ 5,205	\$ 118,058
			Contingency (20%)	\$ 3,200	11	\$ 3,120	\$ 3,879	\$ 1,843	\$ 119,901
			Total:	\$ 19,200	12	\$ 3,120	\$ 3,957	\$ 1,757	\$ 121,658
					13	\$ 3,120	\$ 4,036	\$ 1,675	\$ 123,333
					14	\$ 3,120	\$ 4,117	\$ 1,597	\$ 124,929
	Annual Costs	Years 6-10			15	\$ 3,120	\$ 4,199	\$ 1,522	\$ 126,451
1	\$6,000		Groundwater sampling / Consulting / Reporting (2 yr interval)	\$ 6,000	16	\$ 3,120	\$ 4,283	\$ 1,451	\$ 127,902
1	\$1,000		Maintain institutional controls	\$ 1,000	17	\$ 3,120	\$ 4,369	\$ 1,383	\$ 129,285
			Contingency (20%)	\$ 1,400	18	\$ 3,120	\$ 4,456	\$ 1,318	\$ 130,603
			Total:	\$ 8,400	19	\$ 3,120	\$ 4,545	\$ 1,257	\$ 131,860
					20	\$ 3,120	\$ 4,636	\$ 1,198	\$ 133,058
					21	\$ 3,120	\$ 4,729	\$ 1,142	\$ 134,200
	Annual Costs	Years 11-29			22	\$ 3,120	\$ 4,823	\$ 1,089	\$ 135,289
1	\$1,600		Groundwater sampling / Consulting / Reporting (5 yr interval)	\$ 1,600	23	\$ 3,120	\$ 4,920	\$ 1,038	\$ 136,327
1	\$1,000		Maintain institutional controls	\$ 1,000	24	\$ 3,120	\$ 5,018	\$ 989	\$ 137,316
			Contingency (20%)	\$ 520	25	\$ 3,120	\$ 5,119	\$ 943	\$ 138,259
			Total:	\$ 3,120	26	\$ 3,120	\$ 5,221	\$ 899	\$ 139,158
					27	\$ 3,120	\$ 5,325	\$ 857	\$ 140,015
	Annual Costs	Year 30			28	\$ 3,120	\$ 5,432	\$ 817	\$ 140,832
1	\$30,000		Groundwater sampling / Consulting / Reporting/Well Closeout	\$ 30,000	29	\$ 3,120	\$ 5,541	\$ 779	\$ 141,611
1	\$1,000		Maintain institutional controls	\$ 1,000	30	\$ 37,200	\$ 67,383	\$ 8,852	\$ 150,463
			Contingency (20%)	\$ 6,200					
			Total:	\$ 37,200					

Assumes number of wells are constant; no laboratory MNA parameters after year 10; wells closed in year 30

Rosen, Larry

From: Morrison, Bruce <Morrison.Bruce@epa.gov>
Sent: Wednesday, December 12, 2018 11:08 AM
To: Rosen, Larry
Cc: Christine Kump-Mitchell
Subject: RE: Solutia

Larry,

Chris and I are approving the revised CMI Work Plan with this email. How about submitting a progress report once per every 6 months?

Bruce A. Morrison
Project Manager
Waste Remediation and Permitting Branch
11201 Renner BLVD
Lenexa, KS 66219
913-551-7755

From: Rosen, Larry <larryr@environmentalops.com>
Sent: Monday, December 10, 2018 2:31 PM
To: Morrison, Bruce <Morrison.Bruce@epa.gov>
Subject: Solutia

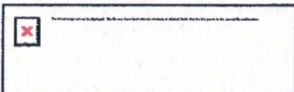
Bruce

Attached are pdf copies of the groundwater lab reports from the event conducted in October 2018. A report will be prepared. The sampling approach was in accordance with the revised CMI Plan sent you at the beginning of October. I have some questions below to address project matters.

1. What style of communication should be used going forward? The prior monthly letter doesn't seem to make sense given the low activity, as primarily annual monitoring is the only regular event. I think email and perhaps letters on an as-needed basis may be appropriate at this point.
2. Given the minor revisions of the CMI Plan you requested, have you completed your review, and if so, when can we anticipate your approval letter?
3. I have contacted Ahrens to move forward at their building, but have not yet gotten a response. I will continue to press them.

I look forward to hearing from you. Thanks.

Larry



Lawrence C. Rosen, R.G. | Senior Project Manager
1530 South Second St.
St. Louis, MO 63104

P. 314.480.4694 F. 314.241.5451 C. 314.973-7340 (Note new cell number)

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